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TORONTO STOCK EXCHANGE

FILING STATEMENT No. 315.
ACCEPTED FOR FILING, JUNE 4th. 1959.

LAKE-OSU MINES LIMITED

Full corporate name of Company

Incorporated under The Companies Act (Ontario)

by Letters Patent dated October 19, 1945.

Particulars of incorporation (e.g., incorporated under Part IV of The Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957)

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organisation.)

1. Head office address and any other office address.	Room 418, 25 Adelaide Street West, Toronto, Ontario.
2. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	See Schedule "A" at page 2. AUG 25 1959
3. Names, addresses and chief occupations for the past five years of officers and directors.	President- A.C. Mosher, 418, 25 Adelaide Street West, Toronto, Ontario, Mining Executive. Vice-President- D.W. Falconer, 2402, 44 King Street West, Toronto, Ontario, Solicitor. Secretary-Treasurer- J.H. Fisher, 418, 25 Adelaide Street West, Toronto, Ontario, Chartered Accountant. <u>Directors</u> A.C. Mosher- as above. D.W. Falconer- as above. S.K. Bongard- Room 711, 25 Adelaide Street West, Toronto, Ontario, Stockbroker. F.W. Graham-- Room 711, 25 Adelaide Street West, Toronto, Ontario, Stockbroker. Frank W. West- 37 Lynn Road, Toronto, Ontario, Engraver.
4. Share capitalization showing authorized and issued and outstanding capital.	The authorized capital of the Company consists of 3,500,000 shares of the par value of \$1.00 each of which 2,350,000 shares are issued and outstanding as fully paid and non-assessable shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding or proposed to be issued.	None
6. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	See Schedule "B" at page 2.
7. Details of any treasury shares now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	See Schedule "A" at page 2.
8. Names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	See Schedule "A" at page 2.
9. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None
10. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings. (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.

Schedule "A" to the
Filing Statement of
LAKE-OSU MINES LIMITED

The Company has entered into an agreement with Chimo Gold Mines Limited, Room 418, 25 Adelaide Street West, Toronto, Ontario, subject to the approval of the Toronto Stock Exchange thereto, whereby the Company has agreed to sell to Chimo Gold Mines Limited, and Chimo Gold Mines Limited has agreed to purchase from the Company 200,000 shares of the capital stock of the Company at the price of 25¢ per share, and the Company has agreed to give to Chimo Gold Mines Limited the sole and exclusive option to purchase from the Company 800,000 shares of the capital stock of the Company at the prices and upon the terms following, viz:-

- 8881 2 S 301A
- (a) All or any part of Two Hundred Thousand (200,000) shares to be taken up and paid for in full at the price of Twenty-five Cents (25¢) per share on or before the 27th day of August, 1959;
 - (b) All or any part of a further Two Hundred Thousand (200,000) shares to be taken up and paid for in full at the price of Thirty Cents (30¢) per share on or before the 27th day of November, 1959;
 - (c) All or any part of a further Two Hundred Thousand (200,000) shares to be taken up and paid for in full at the price of Thirty-five Cents (35¢) per share on or before the 27th day of February, 1960;
 - (d) All or any part of the remaining Two Hundred Thousand (200,000) shares to be taken up and paid for in full at the price of Forty Cents (40¢) per share on or before the 27th day of May, 1960.

Schedule "B" to the
Filing Statement of
LAKE -OSU MINES LIMITED

The following are the names, addresses and shareholdings of the five largest registered shareholders of the Company as at the close of business on May 22, 1959.

<u>Name and Address</u>	<u>Number of shares</u>
Chimo Gold Mines Limited, 418, 25 Adelaide Street West, Toronto, Ontario.	400,000
Bongard & Company, 25 Adelaide Street West, Toronto, Ontario.	352,337
Kamm, Garland & Co., 38 King Street West, Toronto, Ontario.	163,862
Playfair & Co., Ltd., 68 King Street West, Toronto, Ontario.	87,000
Doherty Roadhouse & Co., 335 Bay Street, Toronto, Ontario.	76,900

The Company is advised that of the 352,337 shares of the capital stock of the Company registered in the name of Bongard & Company as shown above, S. K. Bongard, aforesaid, is the beneficial owner of 73,407 shares.

The Company does not know if any other of the above shareholders are the beneficial owners of the shares registered in their name or not.

Schedule 'C' to the
Filing Statement
of
LAKE-OSU MINES LIMITED
(Market Values taken as of close of business on May 26, 1959)

(a) <u>Stocks</u>				
<u>Company</u>	<u>Number of Shares</u>	<u>Book Value</u>	<u>Market Value</u>	
Murray Mining Corporation Limited	18,000	\$5,646.18	\$9,000.00	

(b) <u>Short Term Notes</u>				
<u>Company</u>	<u>Amount</u>	<u>Interest</u>	<u>Cost</u>	<u>Due</u>
General Motors Acceptance Corporation	\$35,000.00	5%	\$33,250.00	March 11, 1960
General Motors Acceptance Corporation	\$10,000.00	4½%	\$ 9,975.00	December 10, 1959
Canadian Acceptance Corporation	\$50,000.00	3½%	\$48,125.00	November 19, 1959

FINANCIAL STATEMENTS

LAKE-OSU MINES LIMITED
BALANCE SHEET AS AT APRIL 30, 1959

A S S E T S

CURRENT:

Cash in Bank	\$ 9,270.34	
Short term finance companies notes, \$95,000.00 due on or before March 11, 1960 at cost plus accrued interest to date	92,670.70	\$ 101,941.04

INVESTMENT IN MURRAY MINING CORPORATION LIMITED:

18,000 shares at cost (quoted market value \$5,400.00)	5,646.18
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MINING CLAIMS - at cost

36 patented and 9 unpatented claims in the O'Sullivan Lake area, Thunder Bay mining district, consideration being 1,250,000 shares capital stock (reduced to 625,000 shares by capital reorganization in 1950) and \$55,880.91 cash	1,305,880.91
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NET EXPENDITURES to date (summary attached)	629,123.37
	<u>\$2,042,591.50</u>

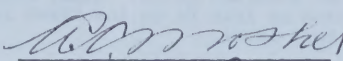
L I A B I L I T I E S

CURRENT: N I L

CAPITAL AND SURPLUS:

CAPITAL STOCK:		
Authorized: 3,500,000 shares, par value \$1.00 each		
Issued and fully paid: 2,350,000 shares	\$2,350,000.00	
Less: Discount on shares issued, less surplus arising from capital reorganization effected by supplementary letters patent dated May 1, 1950	311,995.75	
	<u>\$2,038,004.25</u>	
SURPLUS - capital profit on sale of investments	4,587.25	\$2,042,591.50
		<u>\$2,042,591.50</u>

APPROVED ON BEHALF OF THE BOARD:


A.C. MOSHER, DIRECTOR.


D.W. FALCONER, DIRECTOR.

LAKE-OSU MINES LIMITED
STATEMENT OF REVENUE AND EXPENDITURES
FOR THE FOUR MONTHS ENDED APRIL 30, 1959

REVENUE

Interest income \$ 1,750.00

LESS EXPENDITURES

EXPLORATION AND DEVELOPMENT:

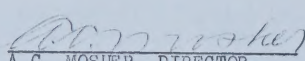
Expenditures in O'Sullivan Lake area and
general prospecting \$ 542.29

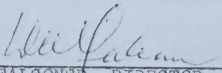
ADMINISTRATIVE EXPENSE:

Printing, stationery and office supplies	238.75	
Telephone and telegraph	14.00	
Licences and fees	180.00	
Legal and audit	275.00	
Rent and accounting	88.03	
Salaries	265.40	
General office expense	40.36	\$ 1,643.83

INCREASE IN FUNDS ON HAND \$ 106.17

APPROVED ON BEHALF OF THE BOARD:


A.C. MOSHER, DIRECTOR


D.W. FALCONER, DIRECTOR

GEOLOGIST'S REPORT

REPORT ON LAKE OSU MINES LIMITED

RINGSLEDEN AND BURNS

MAY 27th, 1959

Lake Osu Mines Limited owns 36 patented mineral claims, K.K. 3199 to K.K. 3207 and K.K. 3334 to K.K. 3360 inclusive, and 9 unpatented claims recorded October 9, 1956, numbered K.K. 16243 to K. K. 16251 inclusive, at O'Sullivan Lake, northwestern Ontario. It is reported that 3 years assessment work has been recorded on each of the unpatented 9 claims. Diamond drilling, trenching, and underground exploration on two levels have been done on two gold-bearing veins on these claims.

This report is prepared for presentation to the Toronto Stock Exchange using Company records which are not quite complete on diamond drilling, and, "Geology of the O'Sullivan Lake Area", by W. W. Moorhouse, O.D.M. Vol 64, Pt 4, 1955 pp23-26 with map.

Access: The property is accessible by a 21-mile long winter road from Cavell on the main line of the C.N.R., or by plane from Nakina 40 miles southeast of the property.

Previous Work: Work is reported to have begun in 1935 when trenching and limited diamond drilling were done. Surface diamond drilling restarted in 1945 when at least thirty two holes were put down. Then underground work from a shaft on Osu Lake Peninsula was done in 1947, 1948, and 1950. The shaft is 347 ft deep. Approximately 722 ft of drifting and 85 ft of crosscutting have been done on the 150 foot level, and 1028 ft of drifting and 79 ft of crosscutting on the 300-foot level. Also, underground diamond drilling is recorded as 1210 ft on the first level, and 1565 ft on the second level.

Geology: Rocks exposed are reported to be pillow lavas, metadiabases, and some tuffs, which are cut by quartz porphyry and diabase dikes. Gold was found in a mineralized zone in sheared tuffs and quartz porphyry. East of the shaft area two narrow bands of sheared, silicified, and mineralized tuffs are reported for a length of over 4000 ft, and in the northern part sheared and mineralized tuff outcrops. Also, sheared and altered porphyry occurs on a small island one half mile south of the shaft.

MAY 27, 1959

Sulphides in the gold-bearing veins are reported to include arsenopyrite, pyrite, marcasite, pyrrhotite, chalcopyrite, and sphalerite.

Ore Reserves: The probable ore, which is indicated by drifting underground and by diamond drilling, when diluted 20 percent is estimated to a depth of 375 ft to be 54,811. tons with an average grade of 0.41 ounces gold per ton, and an average width of 5.5 ft. The possible ore, which is indicated by diamond drilling and downward extensions of the zones drifted on, when diluted 20 percent, is estimated to a depth of 475 ft to be 26,504. tons with an average grade of 0.30 ounces gold per ton, and an average width of 5.4 ft.

Drifting on the 300-ft level developed much more ore than drifting on the 150-ft level. Thus, the writer's recommendations for exploration in the shaft area are based upon the possibility of the ore zones enlarging further below the 300-ft level.

Recommendations: The writer recommends that diamond drilling be done to test the known gold-bearing zones at a depth of 550 ft and 750 ft. Also, it is recommended that a search be made for other gold-bearing zones by testing the known zone with electrical geophysical equipment, probably Turam, and a magnetometer. Then, if the zone is indicated by geophysics, do a survey of the property. Diamond drilling would follow the geophysics where favourable results might be obtained. The estimated cost of the proposed exploration, including 10 percent for contingencies, is \$94,600.

If diamond drilling on the main zone should be successful in enlarging the possible ore reserve enough to consider building a mill then the shaft would be sunk to explore and develop the ore zone below the 300-foot level.

RINGSLEBEN AND BURNS

C. A. Burns
C. A. Burns.

TORONTO, ONTARIO
MAY 27, 1959

CERTIFICATE

I, C. A. Burns, of the City of Toronto, in the Province of Ontario, hereby certify:

1. That I am a practising Consulting Mining Geologist and reside in the City of Toronto, Province of Ontario.
2. That I am a graduate with B.A.Sc. in Geological Engineering from the University of British Columbia, and M.Sc. from Queen's University, and have been practising my profession for more than 11 years.
3. That I am a member of the Association of Professional Engineers of the Province of Ontario.
4. That I have no direct or indirect interest, nor do I expect to receive any interest directly or indirectly in the property or securities of Lake Osu Mines Limited.
5. That this report is based on Company records which are not quite complete on diamond drilling, and on "Geology of the O'Sullivan Lake Area", by W. W. Moorhouse, O.D.M. Vol 64, Pt 4, 1955, but the writer has not been on the property.

C. A. Burns
C. A. BURNS P. Eng.

TORONTO, ONTARIO
MAY 27, 1959

11. Brief statement of company's chief development work during past year.	<p>(a) During the past year the Company acquired by staking 20 mining claims at Pipestone Lake in the Kenora Mining Division in the Province of Ontario. The 36 patented and 9 unpatented mining claims of the Company at O'Sullivan Lake in the Kowkash Mining Division in the Province of Ontario were kept in good standing.</p> <p>(b) By Agreement dated May 15, 1959, in consideration of \$2,000. the Company acquired an option to purchase 17 certain mining claims located in the Township of Aurora, in the Porcupine Mining Division of Ontario from James Henry Moffett, 535 Bay Street, Toronto, Ontario. If the Company exercises said option it must form a New Company which will issue a total of 750,000 Vendor shares to Moffett and to the Company in consideration of the transfer of the said claims to the New Company.</p>
12. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>The Company proposes to make a geophysical survey on the O'Sullivan Lake property and then to carry out diamond drilling on the property. It is anticipated that this work will commence by July 1, 1959.</p> <p>The Company also proposes to make a geophysical survey on the 17 mining claims in the Township of Aurora referred to in item 11 hereof and to do diamond drilling on same, if the geophysical survey indicates that same is warranted.</p> <p>The Company has a two-man prospecting team active in the field for the 1959 season.</p> <p>It is anticipated that the cost of the above programme will be approximately \$100,000.00, and the proceeds from the sale of the treasury shares of the Company referred to in Schedule 'A' hereof will be expended in the above programme.</p>
13. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	See Schedule 'C' at page 3.
14. Brief statement of any lawsuits pending or in process against company or its properties.	None
15. Names and addresses of persons whose shareholdings are large enough to materially affect control of the company.	So far as the Company knows, there are no persons in a position to elect or cause to be elected a majority of the Directors of the Company, except the present Directors, who are probably in a position to do so upon a solicitation of proxies.
16. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
17. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	The Company does not intend to purchase any property or other assets at this time. However reference is made to the option held by the Company to purchase 17 certain mining claims in the Township of Aurora, as mentioned in item 11 hereof.
18. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable
19. Statement of any other material facts and if none, so state.	This statement is filed pursuant to the rules and regulations of the Toronto Stock Exchange in respect to the matter referred to in item 2 above, which the Company understands to be classed as a "material change". There are no other relevant material facts.

DATED May 27th, 1959.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 2 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

LAKE-CSU MINES LIMITED

"A.C. Mosher"

by

"D.W. Falconer"

and

President

Director

CORPORATE SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 2 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

CHIMO GOLD MINES LIMITED

"F.W. Graham" by

Director

"J.H. Fisher" and

Secretary